



Memorandum # 40/2006

Commonwealth of Massachusetts | Public Employee Retirement Administration Commission
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MEMORANDUM

TO: All Retirement Boards

FROM: Robert A. Dennis, Investment Director

RE: Tobacco Company List

DATE: October 16, 2006

On October 22, 1997 PERAC Memo #37/1997 informed you of the adoption of Chapter 119 of the Acts of 1997. That statute prohibits retirement systems from making any new investments in stocks, securities, or other obligations of any company which derives more than 15% of its revenue from the sale of tobacco products. On December 18, 1997 PERAC sent Memo #48 regarding the implementation of Chapter 119 and the first Tobacco Company List.

Enclosed please find a Tobacco Company List dated October 2006. This list replaces any other Tobacco Company List previously sent to your board and is effective upon receipt by the retirement boards. Most of these companies appeared on previous lists and such investments were prohibited from the time the companies first appeared on the list. Please forward a copy to your investment advisors or inform them that this list is available on the PERAC Home Page under the Investment Unit's 2006 Memo Index.

As part of its audit process, PERAC will assess the portfolio of each board to determine compliance. That review will determine if the board, after January 13, 1998, has purchased stock, securities, or other obligations of any company which derives more than 15% of its revenue from the sale of tobacco products. In the event a portfolio is not in compliance, the board must bring the portfolio into compliance by divesting in a prudent manner. Prior to taking any action, the board shall consult with PERAC.

In applying the statute to pooled funds, PERAC will assess the 15% rule against the entire pool as the board is purchasing shares in the pool not the individual holdings of the pool. Thus a pooled fund, if in violation of this standard, will be included on the list.

If you have any questions, please call me at 617-666-4446 ext. 922.

Enclosure

/mdl

TOBACCO COMPANY LIST

October 2006

<u>COMPANY</u>	<u>COUNTRY</u>
Alliance One International, Inc.	United States
Altria Group, Inc.	United States
AMCON Distributing Company	United States
American Way Business Development Corporation	United States
Caribbean Cigar Company	United States
Carolina Group	United States
Core-Mark Holding Co., Inc.	United States
Delek Resources, Inc.	United States
Evolve One, Inc.	United States
iCommerce Group Inc.	United States
Loews Corporation	United States
M&F Worldwide Corporation	United States
Niche Resources, Inc.	United States
Noble Brands, Inc.	United States
North Atlantic Trading Company	United States
Pantry, Inc. (The)	United States
Reynolds American, Inc.	United States
Schweitzer-Mauduit International, Inc.	United States
Star Scientific, Inc.	United States
Universal Corporation	United States
UST Inc.	United States
Vector Group, Ltd.	United States
Alpha Tobacco Manufacturing Co. Ltd.	Bangladesh
British American Tobacco Bangladesh Co. Ltd.	Bangladesh
Souza Cruz SA	Brazil
Asenovgrad BT	Bulgaria
Blagoevgrad BT	Bulgaria
Bulgartabak Holding	Bulgaria
Dupnitza BT	Bulgaria
Haskovo BT	Bulgaria
Plovdiv BT	Bulgaria
Shoumen BT	Bulgaria
Sofia BT	Bulgaria
Alimentation Couche-Tard Inc.	Canada
Rothmans, Inc.	Canada

<u>COMPANY</u>	<u>COUNTRY</u>
Compania Chilena de Tabacos SA	Chile
Mudanjiang Hengfeng Paper Co., Ltd.	China
Shanghai Industrial Holdings	China
Compania Colombiana de Tabaco SA	Colombia
Adris Grupa d.d.	Coratia
Tvornica Duhana Zagreb	Croatia
Philip Morris CR AS	Czech Republic
Eastern Tobacco Company	Egypt
British American Tobacco (Ghana)	Ghana
Hellenic Duty Free Shops S.A.	Greece
Karelia Tobacco Co. SA	Greece
Keranis Holdings S.A.	Greece
Godfrey Phillips India Ltd.	India
GTC Industries Ltd.	India
I.T.C. Ltd.	India
Kothari Products Limited	India
RTCL Ltd.	India
VST Industries Ltd.	India
PT B.A.T. Indonesia	Indonesia
PT Bentoel Internasional Investama Tbk	Indonesia
PT Gudang Garam Tbk	Indonesia
Jerusalem Cigarette	Israel
Societe Ivoirienne des Tabacs	Ivory Coast
Carreras Group Ltd.	Jamaica
Japan Tobacco Inc.	Japan
Seven & I Holdings Co. Ltd.	Japan
International Tobacco & Cigarette Company Ltd.	Jordan
Union Tobacco	Jordan

<u>COMPANY</u>	<u>COUNTRY</u>
British American Tobacco Kenya, Ltd.	Kenya
British American Tobacco Bhd	Malaysia
JT International Bhd	Malaysia
Grupo Carso, SA de CV	Mexico
Khyber Tobacco Company Ltd.	Pakistan
Lakson Tobacco Company Ltd.	Pakistan
Pakistan Tobacco Co. Ltd.	Pakistan
Sarhad Cigarette Industries Ltd.	Pakistan
Distell Group Ltd.	South Africa
Remgro Limited	South Africa
KT&G Corporation	South Korea
Altadis SA	Spain
Compania de Distribucion Integral Logista, SA	Spain
Ceylon Tobacco Co. Ltd.	Sri Lanka
Swedish Match	Sweden
Compagnie Financiere Richemont AG	Switzerland
President Chain Store Corporation	Taiwan
Taiwan FamilyMart Co., Ltd.	Taiwan
Tanzania Cigarette Company	Tanzania
West Indian Tobacco Company Ltd.	Trinidad and Tobago
British American Tobacco, Plc	United Kingdom
C.I. Traders Limited	United Kingdom
Gallaher Group Plc	United Kingdom
Imperial Tobacco Group Plc	United Kingdom
Molins Plc	United Kingdom
British American Tobacco (Zambia) Plc	Zambia
British American Tobacco Zimbabwe Holdings Limited	Zimbabwe